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August 26, 2008

**VIA HAND DELIVERY**

Stephanie L. Stumbo  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40601

**RE: Application of Kentucky Utilities Company for an Adjustment of Base Rates**  
**Case No. 2008-00251**

**Application of Kentucky Utilities Company to File Depreciation Study**  
**Case No. 2007-00565**

Dear Ms. Stumbo:

Enclosed please find and accept for filing two originals and ten copies of Kentucky Utilities Company's Objection to Notice of Intervention of John E. Watson in the above-referenced matters. Please confirm your receipt of this filing by placing the stamp of your Office with the date received on the enclosed additional copies and return them to me in the enclosed self-addressed stamped envelope.

Should you have any questions please contact me at your convenience.

Yours very truly,

Kendrick R. Riggs

KRR:ec  
Enclosures  
cc: Parties of Record

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**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

<b>APPLICATION OF KENTUCKY</b>	)	
<b>UTILITIES COMPANY FOR AN</b>	)	<b>CASE NO. 2008-00251</b>
<b>ADJUSTMENT OF BASE RATES</b>	)	

**In the Matter of:**

<b>APPLICATION OF KENTUCKY</b>	)	
<b>UTILITIES COMPANY TO FILE</b>	)	<b>CASE NO. 2007-00565</b>
<b>DEPRECIATION STUDY</b>	)	

**OBJECTION TO NOTICE OF  
INTERVENTION OF JOHN E. WATSON**

Kentucky Utilities Company (“KU” or the “Company”), by counsel, hereby objects to the Notice of Intervention filed by John E. Watson (“Mr. Watson”) dated August 20, 2008. In support of its objection, KU states as follows:

The Commission must grant intervention only if (1) the moving party has a special interest in this proceeding which is not otherwise adequately represented, or (2) full intervention by the party is likely to present issues or develop facts that assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings. 807 KAR 5:001, Section 3(8). As shown below, the Notice of Mr. Watson satisfies neither condition, and the Company therefore respectfully requests that the Commission treat Mr. Watson’s Notice of Intervention in this proceeding as a motion for intervention and deny the motion.

**A. MR. WATSON DOES NOT HAVE A SPECIAL INTEREST IN THIS PROCEEDING WHICH IS NOT OTHERWISE ADEQUATELY REPRESENTED.**

Mr. Watson fails to assert a special interest in this proceeding. As a residential electric customer of KU, Mr. Watson’s interest in this case is indistinguishable from that of any other KU customer. As such, it is the Attorney General, not Mr. Watson, who is charged with the

responsibility of representing the interests of residential customers. See KRS 367.150(8)(a) and *In the Matter of: Investigation into the Membership of Louisville Gas and Electric Company and Kentucky Utilities Company in the Midwest Independent Transmission System Operator, Inc.*, Case No. 2003-00266, Order of August 13, 2003, p. 2. Furthermore, the Commission, not Mr. Watson, is responsible for representing the broader public interest.

To permit Mr. Watson's intervention in this cases "will result in a proliferation of parties, substantial additional expense, and will unduly lengthen the proceedings." *In the Matter of: Notice of South Central Bell Telephone Company of an Adjustment in its Intrastate Rates and Charges and The Volume Usage Measured Rate Service and Multiline Service Tariff Filing of South Central Bell Telephone Company*, Case Nos. 8847 and 8879, Order (October 18, 1983). Further, if his intervention is allowed in this proceeding, it will be difficult for the Commission to exclude any residential customer who has a personal lay opinion on certain issues that may differ in some way from that of the Attorney General who is charged with the statutory duty "to represent and be heard on behalf of consumers' interests" before the Commission. See KRS 367.150(8)(a).

Additionally, the Commission has itself expressly recognized that:

[t]he Commission, in its role as the enforcer of KRS Chapter 278 and all regulations promulgated pursuant to that Chapter, represents the public interest. See KRS 278.040(1) and (3). See also Philipps, Kentucky Practice, 5th Ed., Civil Rule 24.01 at 422 ("[W]here . . . there is a party charged by law with representing his interest, then there will be a presumption that the representation is adequate.")

*In the Matter of: Louisville Gas and Electric Company and BellSouth Telecommunications, Inc. - Alleged Violation of Commission Regulations 807 KAR 5:041, Section 3 and 807 KAR 5:061, Section 3*, Case No. 96-246, Order (October 15, 1996) (emphasis added and citation omitted).

The Commission has also historically recognized that where, as here, a movant's "interest appears to be indistinguishable from that of the public generally," his motion to intervene should

be denied. *In the Matter of: Application of Sprint Spectrum, L.P. on behalf of Wirelessco, L.P. for Issuance of a Certificate of Public Convenience and Necessity to Construct a Personal Communication Services Facility in the Louisville Major Trading Area (Prospect PCS Facility LV03C075B2)*, Case No. 96-322, Order (January 17, 1997). Rather, in such case, the interested party “may attend the hearing and may offer public comment prior to the taking of evidence on this matter as may any member of the general public.” *Id.* Mr. Watson’s interest is simply not distinguishable from that of the public generally and therefore is not an adequate basis for his intervention.

In *Inter-County R.E. Coop. Corp. v. Public Service Commission*, Ky., 407 S.W.2d 127, 130 (1966), the Kentucky Court of Appeals, then the highest court of review, held that this “regulation reposes in the Commission the responsibility for the exercise of a sound discretion in the matter of affording permission to intervene” and the exercise of such discretion by the Commission in denying a request to intervene on the grounds that it was “just too remote” was not in error. The Commission should exercise its sound discretionary authority and deny Mr. Watson’s request to intervene on the grounds that his general interest as a residential customer is inadequate.

**B. MR. WATSON IS NOT LIKELY TO PRESENT ISSUES OR TO DEVELOP FACTS THAT WILL ASSIST THE COMMISSION IN FULLY CONSIDERING THE ISSUES WITHOUT UNDULY COMPLICATING OR DISRUPTING THE PROCEEDINGS.**

Mr. Watson’s Notice also fails to show that he can meet the alternate requirement for intervention, since he is not “likely to present issues or to develop facts that assist the commission in fully considering the matter without unduly complicating or disrupting the proceedings.” 807 KAR 5:001, Section 3(8). Mr. Watson’s Notice has not demonstrated that he has the professional and technical ability and training to present issues or develop facts that will

assist the Commission in this case, and therefore the Commission should deny Mr. Watson's request for intervention into this proceeding. The participation of lay persons on a *pro se* basis in previous cases has proven to be problematic at best.<sup>1</sup>

To the extent Mr. Watson desires to express his beliefs and opinions on KU's application for a change in base rates, he has done so through his Notice, and may continue to do so by either submitting his comments in writing to the Commission or appearing at the public portion of the hearing in this case and expressing his views in person.

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<sup>1</sup> *In the Matter of: Joint Application of Louisville Gas and Electric Company, Association of Community Ministries, Inc., People Organized and Working for Energy Reform, and Kentucky Association for Community Action, Inc for the Establishment of a Home Energy Assistance Program*, Case No. 2007-00337, Order, p. 7 (September 14, 2007)(“The Commission notes that Mr. Madison has been denied full intervention in three prior cases based upon the finding that he lacks the education and professional training to testify as an expert witness. To date, Mr. Madison has not sufficiently established that he possesses the educational and professional background to intervene as an expert witness in this matter.”).

**WHEREFORE**, Kentucky Utilities Company respectfully requests that the Commission treat the Notice of Intervention of John E. Watson in this proceeding as a motion for intervention and deny the same.

Dated: August 26, 2008

Respectfully submitted,



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Counsel for Kentucky Utilities Company

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of the foregoing was served on the following persons on the 26th day of August, 2008, United States mail, postage prepaid:

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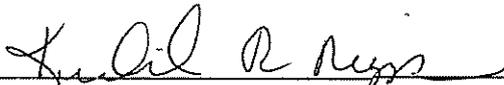
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